

HOUSE BILL 697

By Crawford

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, Part 3 and Section 67-6-102, relative to
sales and use tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-102, is amended by adding the following as a new, appropriately designated subdivision:

() "Diaper" means any absorbent garment to be worn by infants and children who are not toilet-trained.

SECTION 2. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following as a new, appropriately designated section:

(a) Notwithstanding this chapter to the contrary, there are exempted from the taxes imposed by this part the gross receipts from the sale in this state of, and the storage, use, or other consumption in this state of, diapers designed, manufactured, processed, fabricated, or packaged for use by infants and toddlers, designated size four (4) or under.

(b) Notwithstanding this title or any other law to the contrary, this section shall not be construed to be an appropriation of funds, and the state shall not reimburse any county or municipality for any loss of sales and use tax revenue resulting from the exemption provided for in subsection (a).

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.